



QUARTERLY STATEMENT

AS OF JUNE 30, 2009
OF THE CONDITION AND AFFAIRS OF THE

Health Alliance Plan of Michigan

NAIC Group Code	1311	1311	NAIC Company Code	95844	Employer's ID Number	38-2242827
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Dental Service Corporation []	
	Vision Service Corporation []		Other []		Health Maintenance Organization [X]	
	Hospital, Medical & Dental Service or Indemnity []				Is HMO, Federally Qualified? Yes [X] No []	
Incorporated/Organized	06/27/1978		Commenced Business		02/08/1979	
Statutory Home Office	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	2850 West Grand Boulevard		Detroit, MI 48202		313-872-8100	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	2850 West Grand Boulevard			Detroit, MI 48202		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	2850 West Grand Boulevard		Detroit, MI 48202		248-443-1093	
	(Street and Number)		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.hap.org					
Statutory Statement Contact	Dianna L Ronan CPA			248-443-1093		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	dronan@hap.org			248-443-8610		
	(E-mail Address)			(FAX Number)		

OFFICERS

Name	Title	Name	Title
William R Alvin #	President and CEO	Ronald W Berry	Treasurer
Maurice E McMurray	Secretary		

OTHER OFFICERS

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DIRECTORS OR TRUSTEES

William R Alvin #	Nicholas C Anderson	Marvin Beatty	MaryBeth Bolton MD
William A Conway MD	John T Gargaro	Jethro Joseph	Jackie Martin
William L Peirce	Richard Popp	Carol Quigley IHM	Catherine A Roberts
Robin Scales-Wooten	Nancy Schlichting	Rebecca R Smith	Susan Wells
Karen Wezner			

State of Michigan

County of Wayne

ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

William R Alvin President and CEO	Ronald W Berry Treasurer	Maurice E McMurray Secretary
Subscribed and sworn to before me this day of ,		a. Is this an original filing? Yes [X] No []
		b. If no:
		1. State the amendment number 0
		2. Date filed
		3. Number of pages attached 0
Roderick Irwin Curry, Notary August 14 2013		

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds			0	0
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	99,444,565	16,522,447	82,922,119	77,313,915
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances).....	2,341,984	1,531,285	810,699	825,258
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ (7,968,222)), cash equivalents (\$56,399,965) and short-term investments (\$194,061,251).....	242,492,995		242,492,995	199,356,634
6. Contract loans (including \$premium notes).....			0	0
7. Other invested assets	24,409,044		24,409,044	23,121,921
8. Receivables for securities			0	0
9. Aggregate write-ins for invested assets	642,538	0	642,538	1,189,862
10. Subtotals, cash and invested assets (Lines 1 to 9)	369,331,125	18,053,731	351,277,393	301,807,589
11. Title plants less \$charged off (for Title insurers only).....			0	0
12. Investment income due and accrued	684,000		684,000	414,047
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	22,575,933		22,575,933	15,155,726
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
13.3 Accrued retrospective premiums.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers			0	0
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans	95,363		95,363	95,363
16.1 Current federal and foreign income tax recoverable and interest thereon			0	0
16.2 Net deferred tax asset			0	0
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software.....	14,228,331	14,015,558	212,774	814,465
19. Furniture and equipment, including health care delivery assets (\$)	921,449	921,449	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates	1,135,572		1,135,572	1,194,302
22. Health care (\$2,591,080) and other amounts receivable.....	2,591,080		2,591,080	3,068,721
23. Aggregate write-ins for other than invested assets	5,973,733	5,142,068	831,666	678,940
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	417,536,586	38,132,806	379,403,780	323,229,153
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	417,536,586	38,132,806	379,403,780	323,229,153
DETAILS OF WRITE-INS				
0901. Rabbi Trust.....	642,538		642,538	1,189,862
0902.			0	0
0903.			0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	642,538	0	642,538	1,189,862
2301. Goodwill.....	3,994,588	3,994,588	0	0
2302. Prepaid Expense.....	1,147,479	1,147,479	0	0
2303. Deferred Compensation.....	774,754		774,754	618,244
2398. Summary of remaining write-ins for Line 23 from overflow page	56,912	0	56,912	60,695
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	5,973,733	5,142,068	831,666	678,940

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded).....	127,258,196	2,601,074	129,859,270	109,955,307
2. Accrued medical incentive pool and bonus amounts	1,486,383		1,486,383	2,494,950
3. Unpaid claims adjustment expenses	931,483		931,483	777,711
4. Aggregate health policy reserves	1,498,639		1,498,639	1,237,757
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	13,643,730		13,643,730	12,945,144
9. General expenses due or accrued	11,066,019		11,066,019	14,476,971
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	604,155		604,155	378,709
16. Payable for securities	359,898		359,898	284,161
17. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured plans			0	0
21. Aggregate write-ins for other liabilities (including \$ current)	5,667,906	0	5,667,906	4,454,471
22. Total liabilities (Lines 1 to 21).....	162,516,409	2,601,074	165,117,483	147,005,180
23. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
24. Common capital stock	XXX	XXX		0
25. Preferred capital stock	XXX	XXX		0
26. Gross paid in and contributed surplus	XXX	XXX		0
27. Surplus notes	XXX	XXX		0
28. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
29. Unassigned funds (surplus)	XXX	XXX	214,286,297	176,223,972
30. Less treasury stock, at cost:				
30.1 .....shares common (value included in Line 24 \$)	XXX	XXX		0
30.2 .....shares preferred (value included in Line 25 \$)	XXX	XXX		0
31. Total capital and surplus (Lines 23 to 29 minus Line 30)	XXX	XXX	214,286,297	176,223,972
32. Total liabilities, capital and surplus (Lines 22 and 31)	XXX	XXX	379,403,780	323,229,153
DETAILS OF WRITE-INS				
2101. Pension Liability - Long Term.....	3,936,065		3,936,065	2,861,776
2102. Retiree Health Benefits.....	957,087		957,087	974,450
2103. Deferred Compensation.....	774,754		774,754	618,244
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	5,667,906	0	5,667,906	4,454,471
2301.	XXX	XXX		0
2302.	XXX	XXX		0
2303.	XXX	XXX		0
2398. Summary of remaining write-ins for Line 23 from overflow page	XXX	XXX	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	XXX	XXX	0	0
2801.	XXX	XXX		0
2802.	XXX	XXX		0
2803.	XXX	XXX		0
2898. Summary of remaining write-ins for Line 28 from overflow page	XXX	XXX	0	0
2899. Totals (Lines 2801 through 2803 plus 2898) (Line 28 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX		2,367,190	4,689,473
2. Net premium income (including \$ non-health premium income).....	XXX	855,141,835	817,778,626	1,655,116,487
3. Change in unearned premium reserves and reserve for rate credits	XXX		.0	.0
4. Fee-for-service (net of \$ medical expenses)	XXX		.0	.0
5. Risk revenue	XXX		.0	.0
6. Aggregate write-ins for other health care related revenues	XXX	.0	.0	.0
7. Aggregate write-ins for other non-health revenues	XXX	(2,453)	(2,479)	(15,619)
8. Total revenues (Lines 2 to 7)	XXX	855,139,382	817,776,147	1,655,100,868
Hospital and Medical:				
9. Hospital/medical benefits		580,510,180	534,291,092	1,086,863,068
10. Other professional services .....			.0	.0
11. Outside referrals		26,774,598	22,761,260	46,282,444
12. Emergency room and out-of-area		70,173,947	73,368,114	147,816,797
13. Prescription drugs		112,652,598	118,745,727	233,339,216
14. Aggregate write-ins for other hospital and medical .....	.0	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts		30,992	2,487,478	2,494,950
16. Subtotal (Lines 9 to 15) .....	.0	790,142,315	751,653,671	1,516,796,475
Less:				
17. Net reinsurance recoveries .....			.0	.0
18. Total hospital and medical (Lines 16 minus 17) .....	.0	790,142,315	751,653,671	1,516,796,475
19. Non-health claims (net).....			.0	.0
20. Claims adjustment expenses, including \$ 3,704,838 cost containment expenses.....		7,872,819	8,004,279	15,319,452
21. General administrative expenses.....		49,321,897	47,797,200	100,529,482
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only) .....			.0	.0
23. Total underwriting deductions (Lines 18 through 22) .....	.0	847,337,031	807,455,149	1,632,645,409
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	7,802,351	10,320,998	22,455,460
25. Net investment income earned		2,718,354	3,007,251	1,402,036
26. Net realized capital gains (losses) less capital gains tax of \$		(18,090)	.84	(4,530,460)
27. Net investment gains (losses) (Lines 25 plus 26) .....	.0	2,700,264	3,007,335	(3,128,424)
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$ )] .....			.0	.0
29. Aggregate write-ins for other income or expenses .....	.0	24,612	36,157	148,929
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	10,527,227	13,364,490	19,475,964
31. Federal and foreign income taxes incurred	XXX		.0	.0
32. Net income (loss) (Lines 30 minus 31)	XXX	10,527,227	13,364,490	19,475,964
DETAILS OF WRITE-INS				
0601.	XXX		.0	.0
0602.	XXX		.0	.0
0603.	XXX		.0	.0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	.0	.0	.0
0701. Gain/(Loss) on Sale of Assets.....	XXX	(2,453)	(2,479)	(15,619)
0702.	XXX		.0	.0
0703.	XXX		.0	.0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	.0	.0	.0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	(2,453)	(2,479)	(15,619)
1401. ....			.0	.0
1402. ....			.0	.0
1403. ....			.0	.0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	.0	.0	.0	.0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	.0	.0	.0	.0
2901. CIGNA Miscellaneous Revenues.....		24,612	36,157	148,929
2902. ....			.0	.0
2903. ....			.0	.0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	.0	.0	.0	.0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	.0	24,612	36,157	148,929

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	176,223,972	238,900,600	238,900,600
34. Net income or (loss) from Line 32	10,527,227	13,364,490	19,475,964
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	4,397,403	(3,624,072)	(10,929,190)
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax		0	0
39. Change in nonadmitted assets	23,137,695	(225,112)	(35,423,402)
40. Change in unauthorized reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		0	0
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	(35,800,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0	0
48. Net change in capital and surplus (Lines 34 to 47)	38,062,324	9,515,306	(62,676,628)
49. Capital and surplus end of reporting period (Line 33 plus 48)	214,286,297	248,415,906	176,223,972
DETAILS OF WRITE-INS			
4701.		0	0
4702.		0	0
4703.		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	848,420,214	1,651,408,432
2. Net investment income	2,037,892	9,944,443
3. Miscellaneous income	28,505	276,211
4. Total (Lines 1 to 3)	850,486,611	1,661,629,086
5. Benefit and loss related payments	771,246,919	1,516,163,811
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions	54,536,174	113,887,043
8. Dividends paid to policyholders		0
9. Federal and foreign income taxes paid (recovered) net of \$tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9)	825,783,093	1,630,050,855
11. Net cash from operations (Line 4 minus Line 10)	24,703,517	31,578,231
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	21,636,966	241,432,348
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	323,152	34,254,706
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		0
12.7 Miscellaneous proceeds	640,445	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	22,600,563	275,687,054
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	2,097,715	199,503,890
13.3 Mortgage loans	0	0
13.4 Real estate		0
13.5 Other invested assets	443,686	0
13.6 Miscellaneous applications	0	636,003
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,541,401	200,139,893
14. Net increase (or decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	20,059,161	75,547,162
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0
16.5 Dividends to stockholders	0	35,800,000
16.6 Other cash provided (applied).....	(2,070,004)	(49,679,279)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(2,070,004)	(85,479,279)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	42,692,675	21,646,114
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	199,356,634	177,710,520
19.2 End of period (Line 18 plus Line 19.1)	242,049,309	199,356,634

STATEMENT AS OF JUNE 30, 2009 OF THE Health Alliance Plan of Michigan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	383,405	3,128	331,714	.0	.0	.0	22,148	26,415	.0	.0
2 First Quarter	368,180	2,922	312,547	.0	.0	.0	22,219	30,492	.0	.0
3 Second Quarter	364,561	2,837	308,651	.0	.0	.0	22,294	30,779	.0	.0
4. Third Quarter .....	.0									
5. Current Year	0									
6 Current Year Member Months	2,207,732	17,575	1,875,788				133,424	180,945		
Total Member Ambulatory Encounters for Period:										
7. Physician	687,477	5,904	547,081				36,785	97,707		
8. Non-Physician	36,053	346	24,934				1,920	8,853		
9. Total	723,530	6,250	572,015	0	0	0	38,705	106,560	0	0
10. Hospital Patient Days Incurred	84,870		56,502					28,368		
11. Number of Inpatient Admissions	18,503		13,207					5,296		
12. Health Premiums Written (a)	855,141,835	5,372,304	616,329,795				44,680,794	188,758,942		
13. Life Premiums Direct .....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned	855,141,835	5,372,304	616,329,795				44,680,794	188,758,942		
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services	771,246,919	4,801,693	550,867,218				43,508,002	172,070,006		
18. Amount Incurred for Provision of Health Care Services	790,142,315	4,869,276	558,620,684				44,622,709	182,029,646		

(a) For heath premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 188,758,942

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

UNDERWRITING AND INVESTMENT EXHIBIT
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	57,313,895	497,315,457	32,906,647	74,449,763	90,220,542	98,526,794
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan	3,795,251	39,712,751	1,412,566	3,693,598	5,207,817	3,991,457
6. Title XVIII - Medicare	5,128,018	166,941,988	560,782	16,835,914	5,688,800	7,437,056
7. Title XIX - Medicaid					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	66,237,164	703,970,196	34,879,995	94,979,275	101,117,159	109,955,307
10. Health care receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	1,039,559		1,455,393	30,990	2,494,952	2,494,950
13. Totals	67,276,723	703,970,196	36,335,388	95,010,265	103,612,111	112,450,257

(a) Excludes \$ loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Practices - No significant change.
- B. Use of Estimates in the Preparation of the Financial Statements - No significant change.
- C. Accounting Policy - No significant change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

- A. Material changes in accounting principles and/or correction of errors - Not applicable.
- B. The cumulative effect of changes in accounting principles - Not applicable.

3. BUSINESS COMBINATIONS AND GOODWILL

- A. Statutory Purchase Method - Not applicable.
- B. Statutory Merger - Not applicable.
- C. Assumption Reinsurance - Not applicable.
- D. Impairment Loss - Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not applicable.
- B. Debt Restructuring - Not applicable.
- C. Reverse Mortgages - Not applicable.
- D. Loan-Backed Securities - Not applicable.
- E. Repurchase agreements - Not applicable.
- F. Real Estate - No significant change.
- G. Investments in Low-Income Housing Tax Credits - Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Company has no new investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. Impaired investments in Joint Ventures, Partnerships and Limited Liability Companies - Not applicable.

7. INVESTMENT INCOME

- A. The bases for excluding (nonadmitting) any investment income due and accrued - Not applicable.
- B. The total amount of investment income excluded - Not applicable.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

CuraNet LLC and HAP Preferred, Inc merged on April 1, 2009 with HAP Preferred, Inc being the surviving entity.

11. DEBT

No significant change.

The Company does not have any reverse repurchase agreements.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change.

13. CAPITAL AND SURPLUS, SHAREHOLDER' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

- A. The Corporation has no common stock.
- B. The Corporation has no preferred stock.
- C. The Corporation has no restrictions on unassigned funds (surplus).
- D. The Corporation holds 1,500,000 shares of AHLIC stock with a par value of \$1,500,000 and 50,000 shares of HAP Preferred Inc with a par value of \$50,000.
- E. The Corporation has no surplus notes outstanding.
- F. The Corporation has no quasi-reorganization to report.
- G. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) - No significant change.

14. CONTINGENCIES

No significant change.

15. LEASES

No significant change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Not applicable.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY UNINSURED PLANS

- A. ASO Plans - Not applicable.
- B. ASC Plans - Not applicable.
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - No significant change.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATION

Not applicable.

NOTES TO FINANCIAL STATEMENTS

20. OTHER ITEMS

- A. Extraordinary Items - Not applicable.
- B. Troubled Debt Restructuring - Not applicable.
- C. Other Disclosures

As of December 31, 2008, HAP had \$38,137,774 invested in the Reserve Primary Fund. This fund remains under SEC supervision and is continuing to make distributions to its investors as funds become available. Subsequent to December 31, 2008, the Reserve Primary Fund has made additional distributions to HAP in the amounts of \$12,892,029 in February 2009 and \$8,723,298 in April 2009. This brings HAP's total distributions to \$174,833,127 or 90% of the original funds invested.

This fund remains downgraded from its former Class 1 status by the Securities Valuation Office and the Company continues to classify this investment as common stock as well as to non admit it.

- D. Uncollectible Premium Balances, Bills Receivable for Premiums, Amounts Due From Agents and Brokers, Uninsured Plans or Restropectively Rated Contracts - No significant change.
- E. Business Interruption Insurance Recoveries - Not applicable.

21. EVENTS SUBSEQUENT

Not applicable.

22. REINSURANCE

- A. Ceded Reinsurance Report - Not applicable.
- B. Uncollectible Reinsurance - Not applicable.
- C. Commutation of Ceded Reinsurance - Not applicable.

23. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No significant change.

24. CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Claims and claims adjustment expense reserves as of December 31, 2008 were \$110,733,000. As of June 30, 2009 \$67,782,000 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Claims and claims adjustment expense reserves remaining for prior years are now \$36,608,000. Changes in actuarial estimates of reserves attributable to insured events of prior years reflect revisions in estimates of medical cost trends and changes in claims processing patterns.

25. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

26. STRUCTURED SETTLEMENTS

Not applicable.

27. HEALTHCARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables - No significant change.
- B. Risk Sharing Receivables - Not applicable

28. PARTICIPATING POLICIES

Not applicable.

29. PREMIUM DEFICIENCY RESERVES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

30. ANTICIPATED SALVAGE AND SUBROGATION

Not applicable.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior-year, end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
3.

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☒ No ☐

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☐ NA ☒

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2006
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/24/2008
- 6.4

By what department or departments?

The Michigan Office of Financial and Insurance Regulation.
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☒ No ☐ NA ☐
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:
.....

9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$44,400

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

11.2 If yes, give full and complete information relating thereto:
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:\$

13. Amount of real estate and mortgages held in short-term investments:\$

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$14,708,107	\$16,847,502
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$14,708,107	\$16,847,502
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank NA.....	Detroit Michigan.....
Western Assets.....	Wilmington Delaware.....
JP Morgan Chase.....	New York New York.....
The Reserve.....	New York New York.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Not applicable.....		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Not applicable.....			

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Not applicable.....	Brian Gamble.....	Detroit Michigan.....
2405849.....	Kyle Logan.....	Charlotte North Carolina.....
70923.....	Lesa McKnight.....	Chicago Illinois.....
7691.....	Susan Renaud.....	Detroit Michigan.....
110441.....	Sandy Goodman.....	Pasadena California.....
1723878.....	Joe Gaskey.....	Charlotte North Carolina.....
7691.....	Paul Youngblood.....	Detroit Michigan.....
7691.....	Brian Kerber.....	Detroit Michigan.....
Not applicable.....	Janet Kosciuk.....	Columbus Ohio.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

.....

Showing All New Reinsurance Treaties - Current Year to Date

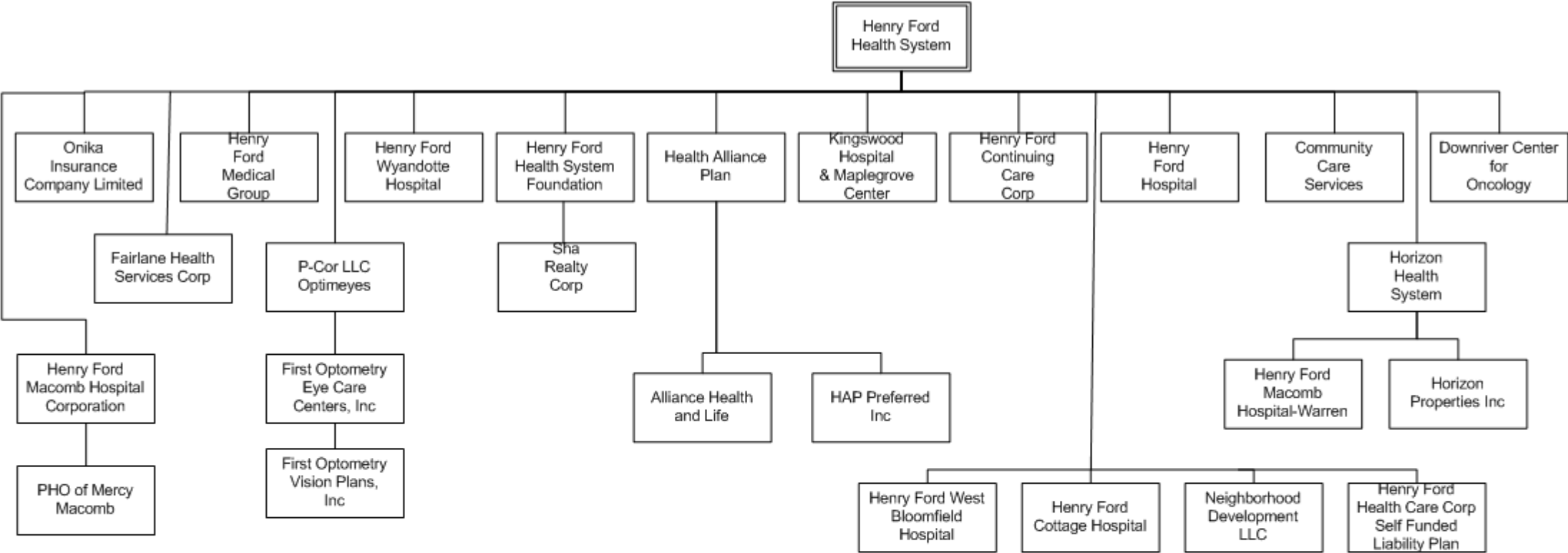
[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N							0	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	N							0	
5. California	CA	N							0	
6. Colorado	CO	N							0	
7. Connecticut	CT	N							0	
8. Delaware	DE	N							0	
9. Dist. of Columbia	DC	N							0	
10. Florida	FL	N							0	
11. Georgia	GA	N							0	
12. Hawaii	HI	N							0	
13. Idaho	ID	N							0	
14. Illinois	IL	N							0	
15. Indiana	IN	N							0	
16. Iowa	IA	N							0	
17. Kansas	KS	N							0	
18. Kentucky	KY	N							0	
19. Louisiana	LA	N							0	
20. Maine	ME	N							0	
21. Maryland	MD	N							0	
22. Massachusetts	MA	N							0	
23. Michigan	MI	L	618,784,670	188,758,942		44,680,794			852,224,406	
24. Minnesota	MN	N							0	
25. Mississippi	MS	N							0	
26. Missouri	MO	N							0	
27. Montana	MT	N							0	
28. Nebraska	NE	N							0	
29. Nevada	NV	N							0	
30. New Hampshire	NH	N							0	
31. New Jersey	NJ	N							0	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	N							0	
45. Utah	UT	N							0	
46. Vermont	VT	N							0	
47. Virginia	VA	N							0	
48. Washington	WA	N							0	
49. West Virginia	WV	N							0	
50. Wisconsin	WI	N							0	
51. Wyoming	WY	N							0	
52. American Samoa	AS	N							0	
53. Guam	GU	N							0	
54. Puerto Rico	PR	N							0	
55. U.S. Virgin Islands	VI	N							0	
56. Northern Mariana Islands	MP	N							0	
57. Canada	CN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		618,784,670	188,758,942	0	44,680,794	0	0	852,224,406	0
60. Reporting entity contributions for Employee Benefit Plans	XXX		2,917,429						2,917,429	
61. Total (Direct Business)	(a)	1	621,702,099	188,758,942	0	44,680,794	0	0	855,141,835	0
DETAILS OF WRITE-INS										
5801.		XXX							0	
5802.		XXX							0	
5803.		XXX							0	
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0	0	0	

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



Reconciliation from 12/31/2008 to 06/30/2009 :

CuraNet LLC and HAP Preferred, Inc merged on April 1, 2009 with HAP Preferred Inc being the surviving entity

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....SEE EXPLANATION.....

Explanation:

1.Health Alliance Plan offers Medicare Part D through a Medicare Advantage plan

Bar Code:

STATEMENT AS OF JUNE 30, 2009 OF THE Health Alliance Plan of Michigan

OVERFLOW PAGE FOR WRITE-INS

MQ002 Additional Aggregate Lines for Page 02 Line 23.
*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2304. Other Receivables.....			0	2,852
2305. Other Assets.....	56,912		56,912	57,843
2306.			0	0
2397. Summary of remaining write-ins for Line 23 from Page 02	56,912	0	56,912	60,695

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	2,374,378	2,644,264
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	172,976	159,456
2.2 Additional investment made after acquisition .....		.0
3. Current year change in encumbrances .....		.0
4. Total gain (loss) on disposals .....		.0
5. Deduct amounts received on disposals .....		.0
6. Total foreign exchange change in book/adjusted carrying value .....		.0
7. Deduct current year's other than temporary impairment recognized .....		.0
8. Deduct current year's depreciation	205,371	429,342
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	2,341,984	2,374,378
10. Deduct total nonadmitted amounts	1,531,285	1,549,121
11. Statement value at end of current period (Line 9 minus Line 10)	810,699	825,258

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	.0	.0
2. Cost of acquired:		
2.1. Actual cost at time of acquisition .....		.0
2.2. Additional investment made after acquisition .....		.0
3. Capitalized deferred interest and other .....		.0
4. Accrual of discount .....		.0
5. Unrealized valuation increase (decrease) .....		.0
6. Total gain (loss) on disposals .....		.0
7. Deduct amounts received on disposals .....		.0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		.0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		.0
10. Deduct current year's other than temporary impairment recognized .....		.0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	.0	.0
12. Total valuation allowance .....		.0
13. Subtotal (Line 11 plus Line 12) .....	.0	.0
14. Deduct total nonadmitted accounts .....	.0	.0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	23,121,921	64,591,503
2. Cost of acquired:		
2.1. Actual cost at time of acquisition .....		.0
2.2. Additional investment made after acquisition	443,686	.0
3. Capitalized deferred interest and other .....		.0
4. Accrual of discount .....		.0
5. Unrealized valuation increase (decrease)	1,168,604	(8,351,577)
6. Total gain (loss) on disposals	(2,016)	1,136,702
7. Deduct amounts received on disposals	323,152	34,254,706
8. Deduct amortization of premium and depreciation .....		.0
9. Total foreign exchange change in book/adjusted carrying value .....		.0
10. Deduct current year's other than temporary impairment recognized .....		.0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	24,409,044	23,121,921
12. Deduct total nonadmitted amounts .....	.0	.0
13. Statement value at end of current period (Line 11 minus Line 12)	24,409,044	23,121,921

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	115,451,688	134,484,719
2. Cost of bonds and stocks acquired	2,097,715	199,503,890
3. Accrual of discount .....		.0
4. Unrealized valuation increase (decrease)	3,532,581	(10,705,355)
5. Total gain (loss) on disposals	(454)	(1,562,235)
6. Deduct consideration for bonds and stocks disposed of	21,636,966	203,294,574
7. Deduct amortization of premium .....		.0
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other than temporary impairment recognized		2,974,757
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	99,444,565	115,451,688
11. Deduct total nonadmitted amounts	16,522,447	38,137,774
12. Statement value at end of current period (Line 10 minus Line 11)	82,922,119	77,313,915

STATEMENT AS OF JUNE 30, 2009 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	238,931,491	647,892,347	636,134,736	(227,886)	238,931,491	250,461,216	.0	209,919,221
2. Class 2 (a).....	.0				.0	.0	.0	.0
3. Class 3 (a).....	.0				.0	.0	.0	.0
4. Class 4 (a).....	.0				.0	.0	.0	.0
5. Class 5 (a).....	.0				.0	.0	.0	.0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	238,931,491	647,892,347	636,134,736	(227,886)	238,931,491	250,461,216	0	209,919,221
PREFERRED STOCK								
8. Class 1 .....	.0				.0	.0	.0	.0
9. Class 2 .....	.0				.0	.0	.0	.0
10. Class 3 .....	.0				.0	.0	.0	.0
11. Class 4 .....	.0				.0	.0	.0	.0
12. Class 5 .....	.0				.0	.0	.0	.0
13. Class 6	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	238,931,491	647,892,347	636,134,736	(227,886)	238,931,491	250,461,216	0	209,919,221

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$;
NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1
Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	194,061,251	XXX	194,302,601	409,609	1,215,540

SCHEDULE DA - VERIFICATION
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	145,419,221	126,478,053
2. Cost of short-term investments acquired	1,364,491,018	1,690,001,176
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....	(184,172)	0
5. Total gain (loss) on disposals	5,582	0
6. Deduct consideration received on disposals	1,315,670,396	1,671,060,008
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	194,061,251	145,419,221
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	194,061,251	145,419,221

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE E - VERIFICATION
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	64,500,000	59,431,150
2. Cost of cash equivalents acquired	377,845,743	69,466,117
3. Accrual of discount		0
4. Unrealized valuation increase (decrease)	28,320	0
5. Total gain (loss) on disposals.....	(21,924)	0
6. Deduct consideration received on disposals	385,952,174	64,397,267
7. Deduct amortization of premium		0
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	56,399,965	64,500,000
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	56,399,965	64,500,000

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

E03

E03

E03

E03

E03

E03

E03

STATEMENT AS OF JUNE 30, 2009 OF THE Health Alliance Plan of Michigan

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

[illegible]

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues110,943 .

E04

SCHEDULE D - PART 4

[illegible]

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

STATEMENT AS OF JUNE 30, 2009 OF THE Health Alliance Plan of Michigan

SCHEDULE E - PART 1 - CASH

[illegible]

SCHEDULE E - PART 2 - CASH EQUIVALENTS

E09